PHILIP MORRIS
U.S.A.
120 PARK AVENUE, NEW YORK, N.Y. 10017-5592 TELEPHONE (212) 880-5000

October 24, 1994

Pat Nixon, Director
Defene Commissary Agency
Northeast Region
Fort Meade, MD 20755-5520

Re: Contract DECA0292F1258

Dear Sir:

Effective December 1, 1994, the Military domestic tax-paid and overseas tax-free list prices on the following Philip Morris cigarette Brands will be increased as follows.

	Domestic Military Price Effective 12/1/94	Overseas Military Tax-Free Price Effective 12/1/94
Cambridge, Alpine	$6.95	$4.50
Bristol, Bucks	$6.95	N/A
F.V.B. (All American)	$6.95	No Change

Note: All American Value Brands tax-free carton price remains at $3.36.

We will honor orders on all brands at existing prices if dated and received in Richmond by November 30, 1994 for delivery no later than December 5, 1994.

These revisions are due, among other things, to increased costs per thousand cigarettes and to establish a closer parity between our tax-paid and tax-free prices. Currently, our tax free military prices severely lag our tax-paid military and our commercial prices, net of the Federal Excise tax.

I also wish to confirm that our net prices to the Military are as favorable as, or better than, our prices to others customers under the same or similar conditions and in the same general geographical area.

We reserve the right to limit quantities based on normal purchase patterns in order to provide comparable product shipments to all customers.

Thank you for your continued support and cooperation.

Sincerely,

PHILIP MORRIS U.S.A.

Mark Schmidt
Manager Military Sales

2060071350

Source: https://www.industrydocuments.ucsf.edu/docs/zjgn0004